

# CAMARA & SIBLEY LLP

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JOE SIBLEY - SIBLEY@CAMARASIBLEY.COM - EXT. 3002

June 20, 2020

*Sent via Certified Mail, Return Receipt Requested to:*

William H. Sadlier, Inc.  
9 Pine Street  
New York, NY 10005

*Sent via facsimile to:* (212) 312-6080

*Sent via email to:* [adinger@sadlier.com](mailto:adinger@sadlier.com)

RE: Demand for Certain Books and Records of William H. Sadlier, Inc.

To Whom It May Concern:

My firm represents Trondheim Capital Partners, LP ("**Trondheim**") which is the record owner of one share and the owner of 4,501 total shares of common stock, \$0.25 par value per share (the "**Common Stock**"), of William H. Sadlier, Inc. (the "**Company**"). See Exhibit A (proof of shareholder ownership status). By this letter, Trondheim demands, pursuant to Section 624 of the New York Business Corporation Law (the "**BCL**") and the common law of the State of New York, the right to inspect the records and documents specified below and to make copies and extracts therefrom:

1. A complete record or list of the holders of the outstanding shares of Common Stock, certified by the Company or its transfer agent or registrar, showing the name, address and account number of each such holder and the number of shares registered in the name of each such holder, in each case as of the first business day after the date of this letter.
2. All information in or that comes into the possession or control of the Company or its proxy solicitor, transfer agent or registrar, or that can reasonably be obtained from brokers, dealers, banks, clearing agencies, or voting trustees, or their nominees, concerning the names, addresses, and number of shares of Common Stock held by the participating brokers and banks named in the individual nominee names of Cede & Co. and other similar nominees, including omnibus proxies and respondent bank proxies and listings from the Company's most recent meeting of shareholders and Cede & Co. depository participant listings, in a Microsoft Excel file, in each case as of the first business day after the date of this letter.
3. A copy certified by the Secretary of State of the State of New York of the Company's certificate of incorporation, as currently in effect.

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4. A copy certified by an officer of the Company of the Company's bylaws, as currently in effect.
5. The annual reports of the Company as sent to shareholders for each year from 2007 through 2012, inclusive.
6. The Company's annual report for the year 2019.
7. Management financial statements for the year 2019 and as recent as are available for 2020 year- to-date.
8. A complete set of actions by written consent and minutes (final versions or the most recent drafts to the extent that final versions are not available) of meetings of the Company's Board of Directors (the "Board") and all committees thereof, and of the Company's shareholders, for the period from January 1, 2010, to the date of this letter.
9. Copies of all materials provided to the Board and all committees thereof in connection with the actions by written consent and meetings identified in Request No. 8.
10. A schedule showing compensation (including the components thereof) paid by the Company to each of its directors and officers, as well as any family members of such directors and officers, for the period from January 1, 2010, to the date of this letter.
11. All information concerning payments by the Company to any director or officer (or any relative or associate of any such person) for any purpose (whether or not related to content produced by such persons for the Company) for the period from January 1, 2010, to the date of this letter.
12. Copies of all code of conduct, corporate opportunity, code of ethics, corporate governance, related party and similar policies of the Company.
13. All information regarding any inquiries made by parties interested in acquiring, merging, or engaging in any business combination with the Company, together with any memos, correspondence, records, or analyses prepared by or for the Company that are related to the same.
14. Any materials or records made by or prepared for the Company regarding planning for the future of the company, including but not limited to those regarding business planning, future business projections, share repurchases, reverse splits of any of the Company's share classes of common stock, merger and acquisition transactions, or a sale of the Company.

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15. All information in or that comes into the Company's possession or control, or that can reasonably be obtained from related parties, employees, officers, or directors, relating to purchases of shares of any of the Company's classes of common stock, by any related parties, officers, directors, or employees of the Company.
16. Copies of any of the Company's policies, internal memos, or correspondence (including correspondence with third parties) regarding the purchase of shares of any of the Company's Common Stock by any related parties, officers, directors, or employees of the Company.
17. Any records or analyses prepared by or for the Company related to capital budgeting or to calculations of the return on investment for capital expenditures (including but not limited to investments in content and software) incurred over the past five years.
18. Copies of all correspondence received by the Company (or its directors or officers) from other parties (including but not limited to other shareholders) pertaining to any concerns including but not limited to profitability, capital allocation, share buybacks, nepotism, and conflicts of interest.
19. All records pertaining to compensation levels set for officers and family members of officers or directors, including but not limited to any reports or analyses by compensation consultants, and any communications, memoranda, or correspondence by, to, or among the Company and/or its employees or directors regarding these matters.
20. All records pertaining to job descriptions of officers of the Company, including but not limited to draft and final versions of the job descriptions and any communications, memoranda, or correspondence by, to, or among the Company and/or its employees or directors regarding these matters.
21. All records pertaining to accounting for depreciation and amortation of intangible assets, including but not limited to any intangible asset listings, depreciation schedules, or policies regarding depreciation or impairment of intangible assets.
22. Any materials or records made by or prepared for the Company regarding succession planning.

The purposes of demand by Trondheim are as follows:

- a. Independently assessing and verifying the value of Trondheim's shares;
- b. Independently determining and assessing the reasons for the Company's deteriorating performance;

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- c. Determining whether the Company's business is being properly conducted;
- d. Determining whether the Company's officers and/or directors have engaged in tortious conduct such as shareholder oppression, nepotism, waste, usurpation of corporate opportunities, or other breaches of fiduciary duty;
- e. Determining whether the Company, its officers, and/or directors have engaged in securities fraud;
- f. Communicating with other shareholders of the Company regarding the matters listed in Items a-e above;
- g. Assessing the value of Trondheim's shares in a status quo scenario;
- h. Assessing the value of Trondheim's shares in a scenario where the Company cuts costs;
- i. Assessing the value of Trondheim's shares in a scenario where the Company sells to an acquirer;
- j. Determining whether Trondheim should seek representation on the Board of the Company;
- k. Determining whether Trondheim should make one or more shareholder proposals on a platform that compares the status quo with a sale of the company or with cost-cutting to improve performance;
- l. Sharing with other shareholders the range of possible values realized depending on the path that they and/or the Company choose; and
- m. Determining whether there is need for immediate legal or equitable relief based on the extensive delay in receiving financial information for 2019, which raises the specter of inappropriate intra-corporate conduct.

This demand is a continuing demand. Trondheim demands that modifications, additions or deletions to any and all information referred to in this letter be immediately furnished to it as such modifications, additions or deletions become available to the Company or its agents or representatives.

The affidavit that the Company is entitled to request from Trondheim pursuant to BCL Section 624(c) is attached as Exhibit B.

Trondheim designates and authorizes its general partners, its general partner's members, employees, and Camara & Sibley LLP and its attorneys and other employees, and any other persons designated by any of the foregoing, acting alone or in any

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combination, to conduct the inspection and copying requested by this letter. An appropriate power of attorney is attached as Exhibit C.

In the absence of prompt notice to the contrary, Trondheim will assume that the Company agrees that this request complies in all respects with the requirements of the BCL. You are also specifically put on notice that your prior contentions (through your outside counsel) made in correspondence dated August 23, 2018 that purport to place arbitrary constrictions on Trondheim's rights to inspection are erroneous because Trondheim's rights arise from New York common law in addition to the statute.

Under New York common law, "shareholders have both statutory and common-law rights to inspect a corporation's books and records so long as the shareholders seek the inspection in good faith and for a valid purpose[.]" *Retirement Plan for Gen. Empls. of the City of N. Miami Beach v. McGraw-Hill Cos., Inc.*, 120 A.D.3d 1052, 1055, 992 N.Y.S.2d 220 [1st Dept. 2014]. Furthermore, "the common-law right of inspection is broader than the statutory right" and, therefore, Trondheim is "entitled to inspect books and records beyond the specific materials delineated in Business Corporation Law § 624(b) and (e)" *Id.* Trondheim's stated purposes for inspection include (but are not limited to) concerns about board mismanagement, excessive expenditures, and wasteful dissipation of corporate assets, *inter alia*, and are, on their face, a proper purpose, "even if the inspection ultimately establishes that the board had engaged in no wrongdoing[.]" *Id.*

As such, any response to this letter that sings the refrain of your outside counsel's August 23, 2018 letter can only be made in bad faith since we have specifically put you on notice that your prior position has no basis in law. Trondheim further reserves the right to withdraw or modify this request at any time. If the Company does not respond to this letter or fails to permit inspection and copying of the demanded materials as required by the BCL, Trondheim will immediately seek appropriate relief to the fullest extent permitted under law.

Respectfully,

/s/ Joe Sibley

Joe Sibley

# EXHIBIT

# A



Operations Center  
6201 15th Avenue  
Brooklyn, NY 11219  
astfinancial.com  
help@astfinancial.com  
(800) 937-5449

February 22, 2019

TRONDHEIM CAPITAL PARTNERS LP  
PO BOX 5090  
SCOTTSDALE AZ 85261

Registration: TRONDHEIM CAPITAL PARTNERS LP  
Company: WILLIAM H SADLIER INC  
Account: 06775 - 1159830160

To Whom It May Concern:

As of Friday, February 22, 2019, the open holdings in WILLIAM H SADLIER INC account number 1159830160 are:

**Certificates:**

Certificate Number	Issuance Date	Amount
Total Shares		0

If you are not in possession of any of the aforementioned certificates, notify us immediately in writing to the address above attn: Lost Securities. Please include the certificate number that requires replacement.

**Book Held Shares (also known as DRS Shares)**

DRS Number	Issuance Date	Amount
BK*0000109	06/29/2018	1
Total Shares		1

**Dividend Reinvestment or Direct Stock Purchase Shares**

Transaction	Date	Share Amount
Total Shares		0

Total Market Value:	As of 02/21/2019	\$53.00
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Share prices are as of close of business the business day preceding this letter and are provided by a third party. AST does not guarantee the accuracy of such information and neither AST nor its provider will be liable for any informational errors, or for any actions taken in reliance on such prices.

Sincerely,  
AST Shareholder Services

# EXHIBIT

# B



**AFFIDAVIT OF TRONDHEIM CAPITAL PARTNERS, L.P.**

I, Colin Peterson, first being duly sworn, hereby depose and state as follows:

- 1 I am the managing director of Trondheim Capital, LLC, which is the general partner of Trondheim Capital Partners, LP ("Trondheim"). Trondheim's address is PO Box 5090, Scottsdale, AZ 85261.
- 2 Trondheim is the record owner of one share of common stock and the owner of 4,501 total shares of common stock,, \$0.25 par value per share, of William H. Sadlier, Inc. (the "Company")
- 3 Trondheim's inspection of certain records of the Company pursuant to New York Business Corporation Law Section 624 is not desired for a purpose which is in the interest of a business or object other than the business of the Company.
- 4 Trondheim has not within five years sold or offered for sale any list of shareholders of any corporation or any type or kind, whether or not formed under the laws of the State of New York, or aided or abetted any person in procuring any such record of shareholders for any such purpose.

Date: June 20, 2020.

**TRONDHEIM CAPITAL PARTNERS LP**

By: Trondheim Capital, LLC

Its: General Partner

By: [Signature]  
Name: Colin Peterson  
Title: Managing Director

State of Arizona

County of Maricopa

I, the undersigned Notary Public, do hereby affirm that Colin Peterson personally appeared before me on the 20th day of June 2020, and signed the above affidavit as his free and voluntary act and deed.

[Signature]  
Notary Public



My commission expires: January 16, 2023

# EXHIBIT

# C

### LIMITED POWER OF ATTORNEY

The undersigned hereby constitutes and appoints the partners, members, and employees of Trondheim Capital, LLC and the attorneys and other employees of Camara & Sibley LLP, and each of them, as the undersigned's true and lawful attorneys-in-fact and agent related to the undersigned's shareholder demand at William H. Sadlier, Inc.

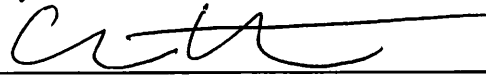
This Limited Power of Attorney will remain in full force and effect until revoked by the undersigned in a writing delivered to the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Limited Power of Attorney to be executed as of this date set forth below.

**TRONDHEIM CAPITAL PARTNERS,  
L.P.**

By: Trondheim Capital, LLC  
Its: General Partner

By:




Name: Colin Peterson  
Title: Managing Director

Member  
Date: June 20, 2018

State of Arizona

County of Maricopa

I, the undersigned Notary Public, do hereby affirm that Colin Peterson personally appeared before me on the 20th day of June 2020, and signed the above power of attorney as his free and voluntary act and deed.

  
Notary Public

My commission expires: January 16, 2023

